

United States v. Quicken Loans Inc.

United States' Report Pursuant to Court's Order of May 26, 2017 (ECF No. 44)

Loans Supporting United States' Claims in this Matter and Violations of Non-Appraisal-Related Guidelines or Rules With Citations
(citations to HUD Handbooks are to the Handbooks as they existed on the date that each loan was assigned an FHA case number)

FHA CASE NUMBER	Finding #1	Finding #2	Finding #3	Finding #4
011-6068939	Quicken accepted gift documentation that was handled or transmitted by or through an interested third party to the transaction, in violation of HUD requirements. HUD Handbook 4155.1 REV-5: 3-1; TOTAL Mortgage Scorecard User Guide (2004), pp. 6, 10-11	Quicken failed to document the borrower's income per HUD requirements due to its failure to obtain a paystub documenting one full month's employment. HUD Handbook 4155.1 REV-5: 2-6, 3-1; TOTAL Mortgage Scorecard User Guide (2004), p. 11		
011-6073475	Quicken failed to downgrade the loan from an Accept/Eligible decision and Refer the loan to a DE underwriter despite a disputed, derogatory credit item appearing on the borrower's credit report. TOTAL Mortgage Scorecard User Guide (2004), pp. 18-19, 21	Quicken overstated the borrower's income due to its inclusion in the income calculation of declining overtime income. HUD Handbook 4155.1 REV-5: 2-7(A); TOTAL Mortgage Scorecard User Guide (2004), pp. 5, 10-12		
011-6272130	Borrower's income was overstated due to Quicken's (a) impermissible use of undocumented child support and (b) understatement of the borrower's net rental loss when calculating the borrower's effective monthly income. HUD Handbook 4155.1 REV-5: 2-7(F), 2-7(M); TOTAL Mortgage Scorecard User Guide (2004), p. 14	Borrower debts were understated due to Quicken's failure to (a) include all debts appearing on the borrower's credit report when calculating the borrower's monthly debt payments and (b) obtain evidence of payoff of other debts. HUD Handbook 4155.1 REV-5: 2-11, 3-10(B); TOTAL Mortgage Scorecard User Guide (2004), pp. 4, 6, 17-19; Mortgagee Letter 2008-16		
011-7134485	Quicken failed to document the borrower's income per HUD guidelines. Specifically, the borrower's paystub did not document year to date earnings. HUD Handbook 4155.1: 1.B.2.f; TOTAL Mortgage Scorecard User Guide (2004), p. 11	Quicken failed to ensure the property met HUD's minimum property standards. Specifically, the appraiser indicated the subject property had a septic system, and recommended a certificate inspector inspect the tank. However, Quicken failed to document that the septic tank was inspected. HUD Handbook 4150.2, Chg. 1, Appendix D		

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023-2890221	Quicken overstated the borrower's income by using bonus and overtime income that was not adequately supported and whose continuity was not adequately established. HUD Handbook 4155.1 REV-5: 2-7(A); TOTAL Mortgage Scorecard User Guide (2004), pp. 5, 10-12			
023-3087770	Quicken overstated the borrower's income due to its inclusion in the income calculation of declining overtime and bonus income. HUD Handbook 4155.1 REV-5: 2-7(A); TOTAL Mortgage Scorecard User Guide (2004), pp. 5, 10-12			
023-3502678	Quicken failed to obtain a credit report on the borrower's spouse and include any spousal debts in the monthly debt calculation, even though the subject property was located in a community property state. HUD Handbook 4155.1: 4.A.5.b, 4.A.5.c; TOTAL Mortgage Scorecard User Guide (2004), pp. 6, 17	Quicken failed to adequately source the funds required to close the loan due to its failure to adhere to HUD requirements concerning the documentation of gift funds. HUD Handbook 4155.1: 2.A.4.a, 5.B.4.b-e, 5.B.5.a-b; TOTAL Mortgage Scorecard User Guide (2004), p. 15	Quicken failed to document the borrower's self-employment income per HUD requirements. Specifically, Quicken did not obtain final tax returns, and notes in the file indicate that the borrower was, in fact, self-employed. HUD Handbook 4155.1: 1.3.f-g, 4.D.4.d; TOTAL Mortgage Scorecard User Guide (2004), pp. 12-13	
031-3570544	Quicken understated the borrower's liabilities by excluding from underwriting a debt without adequate documentation. HUD Handbook 4155.1 REV-5: 2-3(B), 2-11; TOTAL Mortgage Scorecard User Guide (2004), pp. 17-18	Quicken overstated the borrower's income by including overtime income without adequate documentation of history of earnings. HUD Handbook 4155.1 REV-5: 2-7(A); TOTAL Mortgage Scorecard User Guide (2004), pp. 5, 10-12		

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031-3638369	Quicken failed to document the borrower's income per HUD requirements. Specifically, Quicken overstated the co-borrower's income based on history of earnings and failed to include unreimbursed business expenses in calculating the borrower's income. HUD Handbook 4155.1 REV-5: 2-6, 2-7(D), ch.2 §2; TOTAL Mortgage Scorecard User Guide (2004), pp. 10-11, 12	Quicken failed to document the satisfaction of an outstanding tax lien prior to closing the loan. HUD Handbook 4155.1 REV-5: 2-5(B); TOTAL Mortgage Scorecard User Guide (2004), p. 19		
031-3677543	Quicken failed to adequately document a gift received by the borrower per HUD requirements. HUD Handbook 4155.1 REV-5: 2-10(C); TOTAL Mortgage Scorecard User Guide (2004), pp. 8, 15			
031-3722041	Quicken overstated the borrower's income. Specifically, Quicken improperly considered declining self-employment income as effective income when underwriting the loan. HUD Handbook 4155.1 REV-5: 2-9(C)			
031-3761199	Quicken did not properly calculate the maximum mortgage amount. The sales contract indicated that personal property and chattel was considered and included in the sales price. Quicken failed to deduct their value from the sales price/appraised value in calculating the maximum allowable mortgage. HUD Handbook 4155.1 REV-5: 1-7(A)-(B); Mortgagee Letters 2005-02, 2008-23	Quicken improperly understated the borrowers' debts. Specifically, Quicken improperly excluded the debts of non-purchasing spouses in a community property state in qualifying ratios, without a valid explanation. Additionally, Quicken improperly excluded a mortgage payment from debt amounts. HUD Handbook 4155.1 REV-5: 2-2(D), 2-3(A); TOTAL Mortgage Scorecard User Guide (2004), p. 6	Quicken failed to properly document the co-borrower's income. Specifically, Quicken improperly included bonus income without adequate documentation and without any documentation regarding the likelihood of continuance. HUD Handbook 4155.1 REV-5: 2-7(A); TOTAL Mortgage Scorecard User Guide (2004), pp. 5, 10-12	

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031-3914076	Quicken failed to document bonus income it used to qualify the borrower. HUD Handbook 4155.1: 4.D.2.b-c, 4.F.2.a, 4.F.2.c; TOTAL Mortgage Scorecard User Guide (2004), pp. 5, 10-12	Quicken accepted asset and income verification documents that were transmitted by an interested third party, in violation of HUD requirements. HUD Handbook 4155.1: 1.2.d; TOTAL Mortgage Scorecard User Guide (2004), pp. 6, 10-11		
031-4247249	Quicken endorsed the mortgage for FHA insurance even though the borrower did not invest the minimum statutory required amount. HUD Handbook 4155.1: 2.A.1.a, 2.A.1.d, 2.A.2.a-d, 2.A.3.d, 2.A.4.a	Quicken failed to adequately source the funds required to close the loan due to its failure to obtain an adequate explanation for large deposits into the borrower's bank accounts. HUD Handbook 4155.1: 5.B.2.b; TOTAL Mortgage Scorecard User Guide (2004), pp. 10, 16-17		
042-8384630	Quicken failed to obtain a credit report on the borrower's spouse and include any spousal debts in the monthly debt calculation, even though the subject property was located in a community property state. HUD Handbook 4155.1 REV-5: 2-2(D); TOTAL Mortgage Scorecard User Guide (2004), pp. 6, 17			
042-9058952	Quicken failed to downgrade the loan from an Accept/Eligible decision and Refer the loan to a DE underwriter despite disputed, derogatory credit appearing on the borrower's credit report. HUD Handbook 4155.1: 6.A.1.e; TOTAL Mortgage Scorecard User Guide (2004), pp. 18-19, 21.	Quicken failed to document the borrower's bonus income per HUD requirements. HUD Handbook 4155.1: 4.D.2.b-c, 4.F.2.a, 4.F.2.c; TOTAL Mortgage Scorecard User Guide (2004), pp. 10-12.		

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044-4586129	<p>Quicken failed to properly document the borrower's assets used to close the mortgage. Specifically, Quicken overstated the borrower's available assets and failed to properly document the retirement assets necessary to close the loan.</p> <p>HUD Handbook 4155.1: 5.B.1.a, 5.B.2.a-b; TOTAL Mortgage Scorecard User Guide (2004), pp. 14-17</p>			
048-4699438	<p>Quicken failed to properly document the borrower's obligations. Specifically, Quicken noted, but failed to document, the borrower's child support obligations and failed to include them in consideration of the borrower's debt ratios.</p> <p>HUD Handbook 4155.1 REV-5: 2-11(A); TOTAL Mortgage Scorecard User Guide (2004), p. 6</p>			
048-4894166	<p>Quicken overstated and failed to properly calculate the borrower's income. Specifically, Quicken improperly used a higher monthly income than was documented through the borrower's verification of employment and pay stub.</p> <p>HUD Handbook 4155.1 REV-5: 2-6(B), 3-1(E)</p>			
048-5011408	<p>Quicken failed to consider unreimbursed business expenses appearing on tax returns when calculating the borrowers' effective income.</p> <p>HUD Handbook 4155.1 REV-5: 2-7(D)</p>			

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052-4456928	Quicken failed to properly document the borrower's employment. Specifically, Quicken improperly used the borrower's past employment to calculate income, when the borrower had left his job and begun a new job by the time the mortgage closed, without obtaining documentation regarding the new job. HUD Handbook 4155.1 REV-5: 2-6, 3-1(E); TOTAL Mortgage Scorecard User Guide (2004), pp. 8, 10-12, 22	Quicken failed to properly analyze the borrower's credit. Specifically, Quicken failed to perform a manual review of a disputed item on the borrower's credit report. HUD Handbook 4155.1 REV-5: 2-3; TOTAL Mortgage Scorecard User Guide (2004), pp. 18-19, 21		
052-4770498	Quicken failed to adequately document the borrower's credit, liabilities, and eligibility. Specifically, Quicken failed to document at least the last three mortgage payments due prior to closing of the mortgage. HUD Handbook 4155.1 REV-5: 1-10(E), 2-3(A); TOTAL Mortgage Scorecard User Guide (2004), p. 4	Quicken failed to adequately include business losses in calculation of the borrower's ratios. HUD Handbook 4155.1 REV-5: 2-9; TOTAL Mortgage Scorecard User Guide (2004), pp. 12-13		
052-5428295	Quicken accepted asset documentation that was transmitted either from or through an interested third party. HUD Handbook 4155.1: 1.2.d-e; TOTAL Mortgage Scorecard User Guide (2004), pp. 6, 10.	Quicken failed to downgrade the loan from an Accept/Eligible decision and Refer the loan to a DE underwriter despite disputed, derogatory credit appearing on the borrower's credit report. HUD Handbook 4155.1: 6.A.1.e; TOTAL Mortgage Scorecard User Guide (2004), pp. 18-19, 21.		
061-3311125	The subject property was not eligible for loan insurance of the type endorsed for by Quicken. Specifically, Quicken endorsed the mortgage for FHA insurance with a Loan to Value over 85% even though the borrower had not owned the subject property for more than one year at the time of the initial URLA. HUD Handbook 4155.1 REV-5: 1-11(A)(2); TOTAL Scorecard User Guide (2004), p. 3			

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061-3615629	Quicken failed to properly document the co-borrower's income. Specifically, Quicken failed to adequately document the co-borrower's pension income used to underwrite the mortgage. HUD Handbook 4155.1: 4.D.2.j, 4.d.5.b; TOTAL Mortgage Scorecard User Guide (2004), pp. 15-16	Quicken overstated the borrower's income. Specifically, Quicken used income greater than that documented through both the borrower paystubs and verification of employment. HUD Handbook 4155.1: 1.3.d-f; TOTAL Mortgage Scorecard User Guide (2004), pp. 11-12		
061-3662606	Quicken failed to properly document the borrower's income. Specifically, Quicken failed to adequately document the borrower's pension income used to underwrite the mortgage. HUD Handbook 4155.1: 4.D.2.j, 4.d.5.b; TOTAL Mortgage Scorecard User Guide (2004), pp. 15, 16			
071-1118825	Quicken failed to adequately document a gift received by the borrower per HUD requirements. HUD Handbook 4155.1 REV-5: 2-10(C); TOTAL Mortgage Scorecard User Guide (2004), pp. 8, 15			
093-6277786	Quicken overstated the borrower's income due to a failure to average commission income for a two-year period. HUD Handbook 4155.1 REV-5: 2-7(D); TOTAL Mortgage Scorecard User Guide (2004), pp. 11-12			

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093-6372189	Borrower income was overstated due to Quicken's understatement of the borrower's net rental loss when calculating the borrowers' effective monthly income. HUD Handbook 4155.1 REV-5: 2-7(M)			
094-5548098	Quicken overstated the borrower's income. Specifically, Quicken improperly included overtime income that was not properly documented, and was declining. HUD Handbook 4155.1 REV-5: 2-7(A); TOTAL Mortgage Scorecard User Guide (2004), pp. 5, 10-12	Quicken did not properly document the co-borrower's funds to close. Specifically, Quicken failed to adequately document the source of a large deposit used to close the mortgage. HUD Handbook 4155.1 REV-5: 2-10(A); TOTAL Mortgage Scorecard User Guide (2004), p. 16	Quicken failed to properly analyze the borrowers' credit. Specifically, Quicken failed to analyze a mortgage for the co-borrower that was not reflected on the co-borrower's credit report, which had late charges based on the documentation in the file. HUD Handbook 4000.4 Rev-1 Chg 2: 2-4(C); HUD Handbook 4155.1 REV-5: 2-3(A); TOTAL Mortgage Scorecard User Guide (2004), pp. 8, 18-19, 22	
094-5634235	Quicken failed to properly document the borrower and co-borrower's income, by failing to obtain necessary documentation. HUD Handbook 4155.1 REV-5: 2-6, 3-1(G); TOTAL Mortgage Scorecard User Guide (2004), pp. 5, 10-11	Quicken overstated the borrower's effective income. Specifically, Quicken failed to explain or address items on the borrower's paystubs indicating reduction in pay for "repayment of advances." HUD Handbook 4000.4 Rev-1 Chg 2: 2-4(C); HUD Handbook 4155.1 REV-5: 2-6(B), 3-1(E); TOTAL Mortgage Scorecard User Guide (2004), pp. 11-12, 17, 19, 22		
094-5857483	Quicken failed to adequately source the funds required to close the loan due to its failure to document the borrower's gift per HUD requirements. HUD Handbook 4155.1: 5.B.4	The Verbal Verification of Employment in the loan file indicates the borrower was no longer employed. Nevertheless, Quicken considered that income when qualifying the borrower for the FHA loan. HUD Handbook 4155.2: 2.A.4.b		

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094-6070291	Quicken understated the borrower's monthly debt obligation due to its failure to determine, and use in its monthly debt calculations, the appropriate monthly payment on student loans carried by the borrower. HUD Handbook 4155.1: 4.C.4.a, 4.C.5.e, 4.C.6.a; TOTAL Mortgage Scorecard User Guide (2004), pp. 6, 17-18	Quicken failed to downgrade the loan from an Accept/Eligible decision and Refer the loan to a DE underwriter despite a disputed, derogatory credit item appearing on the borrower's credit report. HUD Handbook 4155.1: 4.C.1.c; TOTAL Mortgage Scorecard User Guide (2004), pp. 18-19, 21		
094-6281982	Quicken overstated the borrower's monthly income. Specifically, Quicken calculated and considered all the borrower's income as base pay when, in fact, a portion of the borrower's income was not base pay, and therefore, subject to other verification and trending requirements per HUD. HUD Handbook 4155.1: 4.D.2.a-d; TOTAL Mortgage Scorecard User Guide (2004), pp. 4, 5, 11-12			
095-0873258	Quicken overstated the borrower's income. Quicken failed to consider unreimbursed business expenses indicated on the borrower's tax return in calculating the borrower's income. HUD Handbook 4155.1 REV-5: 2-6, 2-7(D); TOTAL Mortgage Scorecard User Guide (2004), pp. 10-11, 12			
095-1511128	Quicken did not properly document the cash used to close the mortgage. Specifically, Quicken failed to adequately document the gift funds used to close the mortgage. HUD Handbook 4155.1: 2.A.4.a, 5.B.4.b-e, 5.B.5.a-b; TOTAL Mortgage Scorecard User Guide (2004), p. 15	Quicken failed to downgrade the loan from an Accept/Eligible decision and Refer the loan to a DE underwriter despite a disputed, derogatory credit item appearing on the borrower's credit report. HUD Handbook 4155.1: 4.C.1.c, 6.A.1.c; TOTAL Mortgage Scorecard User Guide (2004), pp. 18-19, 21		

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105-3240584	Quicken failed to document purported commission income earned by the borrower per HUD requirements. HUD Handbook 4155.1 REV-5: 2-7(D); TOTAL Mortgage Scorecard User Guide (2004), pp. 11-12	Quicken failed to document purported bonus income earned by the co-borrower per HUD requirements. HUD Handbook 4155.1 REV-5: 2-7; TOTAL Mortgage Scorecard User Guide (2004), p. 11		
105-3458167	Quicken understated the borrower's monthly debt obligation due to its failure to determine and include in the monthly debt calculation taxes and insurance on a property owned by the borrower. HUD Handbook 4155.1 REV-5: 2-11; TOTAL Mortgage Scorecard User Guide (2004), p. 6			
105-3497364	Quicken failed to resolve conflicting information concerning the borrower's purported employment and effective income. HUD Handbook 4155.1 REV-5: Section 2			
105-3606908	Quicken failed to downgrade the loan from an Accept/Eligible decision and Refer the loan to a DE underwriter despite a disputed, derogatory credit item appearing on the borrower's credit report. TOTAL Mortgage Scorecard User Guide (2004), pp. 18-19, 21	Quicken overstated the borrower's income due to the inclusion of improperly documented military income. HUD Handbook 4155.1 REV-5: 2-7(C)		

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105-3668563	Quicken failed to adequately document the borrower's funds used to close the mortgage. HUD Handbook 4155.1 REV-5: Foreword, 1-9, 2-1, 2-10; TOTAL Mortgage Scorecard User Guide (2004), pp. 14-17	Quicken failed to adequately document the borrower's income. HUD Handbook 4155.1 REV-5: Foreword, ch.2 §2, 2-6, 2-7, 3-1; TOTAL Mortgage Scorecard User Guide (2004), pp. 5, 8, 10-12		
105-4083549	Quicken understated the borrower's liabilities by excluding a debt from underwriting without adequate documentation. HUD Handbook 4155.1 REV-5: 2-3, 2-11, 2-12; TOTAL Mortgage Scorecard User Guide (2004), pp. 6, 8, 22			
105-4098730	Quicken failed to downgrade the loan from an Accept/Eligible decision and Refer the loan to a DE underwriter despite a disputed, derogatory credit item appearing on the borrower's credit report. TOTAL Mortgage Scorecard User Guide (2004), pp. 18-19, 21			
105-4283330	Quicken failed to obtain the borrower's rental/housing payment history. HUD Handbook 4155.1: 2-3(A)	Quicken failed to obtain a written letter of explanation from the borrower for major indications of derogatory credit. HUD Handbook 4155.1 REV-5: 2-3	Quicken overstated the borrower's assets due to a failure to document a gift per HUD requirements. HUD Handbook 4155.1 REV-5 2-10(C)	

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105-4407467	The loan file indicates a delinquent federal debt. Quicken failed to document whether the debt had been paid or was the subject of an installment payment agreement with the IRS. HUD Handbook 4155.1 REV-5: 2-5(B) & (C)			
105-5942900	Quicken understated the borrower's monthly debt obligation due to its failure to include all debts appearing on the borrower's credit report or obtain documentation that the debts are not owed. HUD Handbook 4155.1: 4.C.1.c, 4.C.4.a; TOTAL Mortgage Scorecard User Guide (2004), p. 6	Quicken failed to adequately source the funds required to close the loan due to its failure to adhere to HUD requirements concerning the documentation of gift funds. HUD Handbook 4155.1: 2.A.4.a, 5.B.4.b-e, 5.B.5.a-b; TOTAL Mortgage Scorecard User Guide (2004), p. 15	Quicken failed to document the borrower's income and employment per HUD requirements. Specifically, Quicken did not obtain a pay stub documenting one full month of earnings and did not obtain an explanation for a gap in the borrower's employment, as required by HUD. HUD Handbook 4155.1: 1.3.d-f, 4.D.1.b; TOTAL Mortgage Scorecard User Guide (2004), pp. 11-12, 14	
105-6023367	Quicken understated the borrower's monthly debt obligation due to its failure to include all debts appearing on the borrower's credit report or obtain documentation that the debts are not owed. HUD Handbook 4155.1: 1.C.2.e, 4.C.4.a-b; TOTAL Mortgage Scorecard User Guide (2004), pp. 6, 18-19	Quicken failed to question and resolve discrepancies appearing in the borrower's income and employment documentation. Specifically, the YTD earnings across the borrower's paystubs were mathematically inconsistent. HUD Handbook 4155.1: 6.A.1.c; HUD Handbook 4155.2: 2.A.4.b; TOTAL Mortgage Scorecard User Guide (2004), p. 8	Quicken overstated the co-borrower's income due to its failure to document and properly calculate tip income earned. HUD Handbook 4155.1: 4.D.1.a, 4.D.2.c; TOTAL Mortgage Scorecard User Guide (2004), p. 5	Quicken failed to document a two-year employment history for the borrower. HUD Handbook 4155.1: 1.B.2.f, 4.D.1.b; TOTAL Mortgage Scorecard User Guide (2004), pp. 5, 10-12
132-2348277	Quicken failed to adequately source the funds required to close the loan due to its failure to adhere to HUD requirements concerning the documentation of gift funds. HUD Handbook 4155.1: 2.A.4.a, 5.B.4.b-e, 5.B.5.a-b; TOTAL Mortgage Scorecard User Guide (2004), p. 15	Quicken failed to obtain a final sales contract reflecting the correct sales price. HUD Handbook 4155.1: 1.3.a, 2.A.1.a, 2.A.1.d; TOTAL Mortgage Scorecard User Guide (2004), p. 7	Quicken endorsed the mortgage for FHA insurance even though the borrower did not invest the minimum statutory required amount. Specifically, Quicken failed to consider certain fees paid by the seller when calculating the minimum required investment. HUD Handbook 4155.1: 2.A.1.a, 2.A.1.d, 2.A.2.a-d, 2.A.3.b, 2.A.3.d, 2.A.4.a; TOTAL Mortgage Scorecard User Guide (2004), p. 7	Quicken failed to resolve conflicting information and indicia of fraud. Specifically, the loan file contains two asset documents from the same bank for the same account and with the same effective date with different balances. HUD Handbook 4155.2: 2.A.4.b

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132-2595664	Quicken did not properly document the borrower's income. Specifically, Quicken failed to adequately document child support income used to underwrite the mortgage. HUD Handbook 4155.1: 4.E.1.a, 4.E.1.b; TOTAL Mortgage Scorecard User Guide (2004), pp. 5, 8-9, 14, 22	Quicken failed to adequately document the borrower's assets needed to close the mortgage. Specifically, Quicken failed to adequately document the borrower's bank account funds and failed to document the source of a large deposit used to close the mortgage. HUD Handbook 4155.1: 5.B.2.a-b; TOTAL Mortgage Scorecard User Guide (2004), pp. 10, 16-17		
132-2624076	Quicken failed to resolve conflicting information indicating the borrower did not intend to reside in the subject property as his primary residence. HUD Handbook 4155.1: 4.B.2.a-b; TOTAL Mortgage Scorecard User Guide (2004), p. 22			
137-4042233	Quicken failed to ensure that a judgment appearing on the borrower's credit report was paid off, as required by HUD. HUD Handbook 4155.1 REV-5: 2-3(C); TOTAL Mortgage Scorecard User Guide (2004), pp. 18-19	Quicken failed to ensure the subject property (a condominium unit) was eligible for FHA insurance. HUD Handbook 4150.2: 9-1; HUD Handbook 4155.1 REV-5: 1-1; TOTAL Mortgage Scorecard User Guide (2004), p. 4	Quicken understated the borrower's monthly debt obligations. Specifically, Quicken did not properly calculate the monthly payment on outstanding student loan debt carried by the borrower. HUD Handbook 4155.1 REV-5: 2-11(A), (B); TOTAL Mortgage Scorecard User Guide (2004), pp. 6, 17-18	
137-4174749	Quicken failed to document the borrower's HOA fees associated with the subject property. HUD Handbook 4155.1 REV-5: 2-12(A); TOTAL Mortgage Scorecard User Guide (2004), p. 5	Quicken understated the borrower's monthly debt obligations. Specifically, Quicken failed to include certain monthly debt payments associated with loans appearing on the borrower's bank statements. HUD Handbook 4155.1 REV-5: 2-11, 2-12(B); TOTAL Mortgage Scorecard User Guide (2004), pp. 6, 17-18		

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137-5102758	Quicken understated the borrower's monthly debt obligation due to its failure to include all debts appearing on the borrower's credit report or obtain documentation that the debts are not owed. HUD Handbook 4155.1: 1.4.e, 4.C.1.c, 4.C.2.c; TOTAL Mortgage Scorecard User Guide (2004), pp. 6, 17-18			
151-8489257	Quicken failed to document overtime income it used to qualify the borrower. HUD Handbook 4155.1 REV-5: 2-7(A); TOTAL Mortgage Scorecard User Guide (2004), pp. 5, 10-12	Quicken failed to properly identify and value the subject property due to its failure to resolve the issue of whether the home was a manufactured home, and subject to the requirements associated with insuring a mortgage secured by a manufactured home. HUD Handbook 4150.2: 8-1		
151-9259946	Quicken failed to ensure that a judgment appearing on the borrower's credit report was paid off, as required by HUD. HUD Handbook 4155.1 REV-5: 2-3(C); TOTAL Mortgage Scorecard User Guide (2004), pp. 18-19	Quicken overstated the borrower's monthly income due to its use of base income not supported by the borrower's paystub. HUD Handbook 4155.1 REV-5: 2-6, ch.2 §2; TOTAL Mortgage Scorecard User Guide (2004), pp. 5, 10-12		
156-0174519	Quicken improperly understated the borrower's liabilities. Specifically, Quicken improperly understated a liability appearing on the borrower's credit report. HUD Handbook 4155.1: 4.C.4.c, 4.C.6.b; TOTAL Mortgage Scorecard User Guide (2004), pp. 1, 6, 17-18			

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156-0528055	Quicken overstated the borrower's income by using commission income whose history was not adequately documented. HUD Handbook 4155.1: 4.D.2.g, 4.D.2.h; TOTAL Mortgage Scorecard User Guide (2004), pp. 5, 12			
156-0845503	Quicken failed to document child support income it used to qualify the borrower. HUD Handbook 4155.1: 4.E.1.a-b; TOTAL Mortgage Scorecard User Guide (2004), p. 14	Quicken failed to adequately source the funds required to close the loan due to its failure to source a large deposit into the borrower's account and failure to document the borrower's gift per HUD requirements. HUD Handbook 4155.1: 2.A.4.a, 5.B.2.b, 5.B.4.b-e, 5.B.5.a-b; TOTAL Mortgage Scorecard User Guide (2004), pp. 10, 15, 16-17	Quicken endorsed the mortgage for FHA insurance even though the borrower did not invest the minimum statutory required amount. HUD Handbook 4155.1: 2.A.1.a, 2.A.1.d, 2.A.2.a-d, 2.A.3.d, 2.A.4.a	
156-0957186	Quicken failed to adequately source the funds required to close the loan due to its failure to source a large deposit into the borrower's account and failure to document the borrower's gift per HUD requirements. HUD Handbook 4155.1: 2.A.4.a, 5.B.2.b, 5.B.4.b-e, 5.B.5.a-b; TOTAL Mortgage Scorecard User Guide (2004), pp. 10, 15, 16-17			
161-2302675	Quicken failed to adequately source the funds required to close the loan due to its failure to document the borrower's gift per HUD requirements. HUD Handbook 4155.1 REV-5: 2-10(C); TOTAL Mortgage Scorecard User Guide (2004), pp. 8, 15	Quicken failed to adequately source large deposits into the borrower's bank account. HUD Handbook 4155.1 REV-5: 2-10(B) & (C); TOTAL Mortgage Scorecard User Guide (2004), pp. 10, 16-17		

FHA CASE NUMBER	Finding #1	Finding #2	Finding #3	Finding #4
161-2335440	Quicken improperly overstated the borrower's income, by using a greater income amount than was documented through the borrower's W2 and employment verification. HUD Handbook 4000.4 Rev-1 Chg 2: 2-4(C); HUD Handbook 4155.1 REV-5: ch.2 §2, 2-6(B), 3-1(E); TOTAL Mortgage Scorecard User Guide (2004), pp. 5, 8, 10-12, 22	Quicken failed to properly document the borrower's employment history. Quicken did not document a gap in employment, as required by HUD. HUD Handbook 4155.1 REV-5: 2-6; TOTAL Mortgage Scorecard User Guide (2004), p. 14		
161-2457079	Quicken understated the borrowers' liabilities by excluding debts appearing on the borrowers' credit report without adequate documentation. HUD Handbook 4155.1 REV-5: 2-3, 2-11, 2-12; TOTAL Mortgage Scorecard User Guide (2004), pp. 6, 8, 22	Quicken overstated the borrower's income. Specifically, Quicken failed to adequately document child support income used to underwrite the mortgage. HUD Handbook 4155.1 REV-5: 2-7(F); TOTAL Mortgage Scorecard User Guide (2004), p. 14		
161-2517251	Quicken failed to properly document the borrower's employment history. Specifically, Quicken failed to address evidence that the borrower had received unemployment benefits recently. HUD Handbook 4000.4: 2-4(C)(5); HUD Handbook 4155.1 REV-5: 2-6; TOTAL Mortgage Scorecard User Guide (2004), pp. 5, 8, 11-12, 22			
181-2245756	Quicken failed to ensure that the mortgage was eligible for refinance. Specifically, Quicken included unallowable late charges and insufficient funds charges in the refinance, and failed to ensure that the borrower did not skip payments or make late payments prior to refinance. HUD Handbook 4155.1 REV-5: 1-10(E), 1-11(A); TOTAL Mortgage Scorecard User Guide (2004), p. 3			

FHA CASE NUMBER	Finding #1	Finding #2	Finding #3	Finding #4
181-2351559	Quicken overstated the borrowers' effective income. Specifically, Quicken overstated the co-borrower's self-employment income. HUD Handbook 4155.1 REV-5: 2-9; TOTAL Mortgage Scorecard User Guide (2004), p.12	Quicken failed to downgrade the loan from an Accept/Eligible decision and Refer the loan to a DE underwriter despite a disputed, derogatory credit item appearing on the borrower's credit report. TOTAL Mortgage Scorecard User Guide (2004), pp. 18-19, 21		
197-5344356	Quicken failed to document the borrower's income per HUD requirements. Specifically, Quicken overstated the borrower's income by failing to consider unreimbursed business expenses when determining the borrower's effective income. Additionally, Quicken improperly included alimony payments as income at a level that was not expected to continue for at least three years. HUD Handbook 4155.1: 4.D.2.g, 4.E.1.a-b; TOTAL Mortgage Scorecard User Guide (2004), pp. 10-12, 14			
201-3794887	Quicken failed to properly document the borrower's employment, and ignored red flags regarding the stability of the borrower's employment. HUD Handbook 4000.4 Rev-1 Chg 2: 2-4(C); HUD Handbook 4155.1 REV-5: 2-6; TOTAL Mortgage Scorecard User Guide (2004), pp. 10-12	Quicken overstated the borrower's income. Quicken included income that was in excess of that which was supported by the borrower's W2s. HUD Handbook 4000.4 Rev-1 Chg 2: 2-4(C); HUD Handbook 4155.1 REV-5: 2-6, 2-7, 3-1(E); TOTAL Mortgage Scorecard User Guide (2004), pp. 10-12		
201-3906181	Quicken failed to document the co-borrower's income per HUD requirements due to its use of a stale paystub that was more than 120 days old at the time the loan closed. HUD Handbook 4155.1 REV-5: 3-1(E); TOTAL Mortgage Scorecard User Guide (2004), p. 5	Quicken overstated the borrower's monthly income due to its use of base income not supported by the borrower's paystub. HUD Handbook 4155.1 REV-5: ch.2 §2, 2-6; TOTAL Mortgage Scorecard User Guide (2004), pp. 5, 10-12		

FHA CASE NUMBER	Finding #1	Finding #2	Finding #3	Finding #4
201-3958642	Quicken overstated the borrower's income due to the inclusion of declining overtime income, and the use of base income not supported by the borrower's Verification of Employment and paystub. HUD Handbook 4155.1 REV-5: 2-7, 2-7(A); TOTAL Mortgage Scorecard User Guide (2004), pp. 5, 10-12			
201-4034247	Quicken overstated the borrower's income. Quicken used income in excess of that which was documented through the borrower's paystubs and W2s. HUD Handbook 4000.4 Rev-1 Chg 2: 2-4(C); HUD Handbook 4155.1 REV-5: 2-6(B), 2-7, 3-1(E); TOTAL Mortgage Scorecard User Guide (2004), pp. 11-12	Quicken improperly understated the borrower's liabilities. Specifically, Quicken excluded a debt from the borrower's ratios where there was no documentation in support of excluding the debt. HUD Handbook 4155.1 REV-5: 2-11, 2-12; TOTAL Mortgage Scorecard User Guide (2004), pp. 6, 8, 22		
201-4244392	Quicken overstated the borrower's income. Specifically, Quicken failed to adequately document child support income used to underwrite the mortgage. HUD Handbook 4155.1 REV-5: 2-7(F); TOTAL Mortgage Scorecard User Guide (2004), p. 14	The loan was ineligible for FHA insurance because the seller had purchased the subject home on 2/12/2009, less than 90 days prior to the date the sales contract was executed. Mortgagee Letter 2006-14		
201-4408943	Quicken accepted gift documentation that was handled or transmitted by or through an interested third party to the transaction, in violation of HUD requirements. HUD Handbook 4155.1 REV-5: 3-1; TOTAL Mortgage Scorecard User Guide (2004), pp. 6, 10-11			

FHA CASE NUMBER	Finding #1	Finding #2	Finding #3	Finding #4
221-4054255	Quicken failed to document the borrower's income per HUD requirements. Specifically, Quicken did not obtain federal business tax returns for the borrower's company. HUD Handbook 4155.1 REV-5: 2-9(B), 3-1(G); TOTAL Mortgage Scorecard User Guide (2004), pp. 12-13			
221-4130351	Quicken failed to adequately source the funds required to close the loan due to its failure to document the borrower's gift per HUD requirements and its failure to document purported cash on hand used by the borrower to close the loan. HUD Handbook 4155.1 REV-5: 1-7(B), 2-10(C); TOTAL Mortgage Scorecard User Guide (2004), pp. 8, 15			
221-4497855	Quicken failed to resolve conflicting information and indicia of fraud. Specifically, the loan file contains conflicting information concerning the dollar amount of the Gift of Equity from the seller to the borrower, the loan amount, and the purchase amount. HUD Handbook 4155.2: 2.A.4.b; HUD Handbook 4155.1: 2.A.4.a, 5.B.4.c	Quicken failed to properly account for an inducement to purchase paid from the seller to the buyer that resulted in the transaction exceeding HUD's Loan to Value limits. HUD Handbook 4155.1: 2.A.4a		
231-0978547	Quicken accepted asset and income documentation that were handled or transmitted by or through an interested third party to the transaction, in violation of HUD requirements. HUD Handbook 4155.1 REV-5: 3-1; TOTAL Mortgage Scorecard User Guide (2004), pp. 6, 10-11	Quicken failed to adequately source the funds required to close the loan due to its failure to source recent large deposits into the borrower's account. HUD Handbook 4155.1 REV-5: ch.2 §2, 2-10(B), 2-10(C); TOTAL Mortgage Scorecard User Guide (2004), pp. 10, 16-17		

FHA CASE NUMBER	Finding #1	Finding #2	Finding #3	Finding #4
241-8321978	Quicken overstated the borrower's self-employment income, and failed to obtain a required Profit and Loss statement for the current year. HUD Handbook 4155.1 REV-5: 2-9(B), (C); TOTAL Mortgage Scorecard User Guide (2004), pp. 5, 10-11, 12-13	Quicken failed to downgrade the loan from an Accept/Eligible decision and Refer the loan to a DE underwriter. The credit report used by the AUS did not contain information indicating that the borrower had been late making a payment on the mortgage being refinanced between the time the credit report was pulled by Quicken and the time the loan closed. Therefore, the AUS did not consider this derogatory credit, and the loan should have been downgraded. HUD Handbook 4155.1 REV-5: 2-3, 2-4(A); TOTAL Mortgage Scorecard User Guide (2004), pp. 7, 17		
251-3624897	Quicken failed to document the borrower's retirement income it used to qualify the borrower for the loan. HUD Handbook 4155.1 REV-5: 2-7(E); TOTAL Mortgage Scorecard User Guide (2004), pp. 15-16	Quicken failed to verify the borrower's rental income per HUD requirements. HUD Handbook 4155.1 REV-5: 2-7(M); TOTAL Mortgage Scorecard User Guide (2004), pp. 8, 10		
251-3788453	Quicken overstated the borrower's income. Specifically, Quicken improperly included bonus income, without documenting that bonus income was likely to continue. HUD Handbook 4155.1 REV-5: 2-7(A); TOTAL Mortgage Scorecard User Guide (2004), pp. 5, 10-12			
261-9285579	Quicken overstated the borrower's income. Specifically, Quicken failed to adequately document a survivor benefit income used to underwrite the mortgage. HUD Handbook 4155.1 REV-5: 2-7(E); TOTAL Mortgage Scorecard User Guide (2004), pp. 8, 10-12, 22	Quicken overstated the borrower's income. Specifically, Quicken failed to consider, in its income calculation, unreimbursed business expenses reflected on the borrower's tax returns. HUD Handbook 4155.1 REV-5: 2-6, 2-7(D); TOTAL Mortgage Scorecard User Guide (2004), pp. 10-12		

FHA CASE NUMBER	Finding #1	Finding #2	Finding #3	Finding #4
261-9297236	Quicken overstated the borrower's income due to its inclusion in the income calculation of declining overtime and bonus income. HUD Handbook 4155.1 REV-5: 2-7(A); TOTAL Mortgage Scorecard User Guide (2004), pp. 5, 10-12	Quicken overstated the borrower's assets. Specifically, Quicken overstated the amount of available funds in the borrower's 401(k). HUD Handbook 4155.1 REV-5: 2-10(K); TOTAL Mortgage Scorecard User Guide (2004), p. 16		
261-9306951	Quicken failed to properly document the borrower's income. Specifically, Quicken failed to obtain a recent paystub as required. HUD Handbook 4155.1 REV-5: 2-6(B), 3-1(E); TOTAL Mortgage Scorecard User Guide (2004), pp. 11-12	Quicken overstated the amount of the maximum allowable mortgage. Specifically, Quicken failed to deduct from the purchase price/appraised value the cost of a pool table and riding mower included in the purchase price. HUD Handbook 4155.1 REV-5: 1-7(A), (B); Mortgagee Letters 2005-02, 2008-23	Quicken failed to adequately document the borrower's assets used to underwrite the mortgage. HUD Handbook 4155.1 REV-5: 2-6, 2-7, 2-10(k); TOTAL Mortgage Scorecard User Guide (2004), pp. 6, 14-17; Mortgagee Letter 2004-44	
261-9345302	Quicken failed to resolve conflicting information in the file indicating that the borrower may not be residing in the subject property as their primary residence. HUD Handbook 4155.1 REV-5: 1-2			
261-9586793	Documents in the loan file indicate the borrower was delinquent on Federal taxes. Quicken failed to ensure a satisfactory repayment plan between the borrower and the IRS had been entered into. HUD Handbook 4155.1 REV-5: 2-5(B)	Quicken failed to adequately source the funds required to close the loan due to its failure to document the borrower's gift per HUD requirements and its failure to document purported cash on hand used by the borrower to close the loan. HUD Handbook 4155.1 REV-5: 1-7(B), 2-10(C); TOTAL Mortgage Scorecard User Guide (2004), pp. 8, 15	Quicken overstated the borrower's income. Specifically, Quicken qualified the borrower based on the income of a non-borrower. HUD Handbook 4155.1 REV-5: 2-7	

FHA CASE NUMBER	Finding #1	Finding #2	Finding #3	Finding #4
261-9690616	Quicken failed to downgrade the loan from an Accept/Eligible decision and Refer the loan to a DE underwriter despite disputed accounts appearing on the borrower's credit report. TOTAL Mortgage Scorecard User Guide (2004), p. 21			
262-1713477	Quicken overstated the co-borrower's income. Specifically, Quicken used employment income in excess of that which was documented in the co-borrower's paystub and other documentation. HUD Handbook 4155.1 REV-5: 2-6(B), 3-1(E); TOTAL Mortgage Scorecard User Guide (2004), pp. 8, 11, 22			
262-1719247	Quicken failed to document overtime income it used to qualify the borrower. HUD Handbook 4155.1 REV-5: 2-7(A)	Quicken failed to document the borrower's paying history on prior housing obligations. HUD Handbook 4155.1 REV-5: 2-3(A)		
262-1867771	Quicken overstated the borrower's income. Specifically, Quicken used overtime income that was not properly documented. HUD Handbook 4155.1: 1.3.f, 4.D.2.b-c; TOTAL Mortgage Scorecard User Guide (2004), pp. 5, 10-12			

FHA CASE NUMBER	Finding #1	Finding #2	Finding #3	Finding #4
263-4110755	Quicken failed to resolve conflicting information in the file indicating that the borrower may not be residing in the subject property as their primary residence. HUD Handbook 4155.1 REV-5: 1-2			
263-4625964	Quicken overstated the borrower's income due to improperly grossing up the borrower's social security income. HUD Handbook 4155.1: 4.D.2.k, 4.D.5.b, 4.E.5.a; TOTAL Mortgage Scorecard User Guide (2004), pp. 5, 8-11	Quicken failed to ensure the subject property—a condominium—was eligible for FHA mortgage insurance. Specifically, Quicken did not ensure that no more than 10% of the properties were insured by the FHA. HUD Handbook 4150.2: 9-1; HUD Handbook 4155.1: 4.B.1.c; TOTAL Mortgage Scorecard User Guide (2004), p. 4; Mortgagee Letter 1996-41		
263-4627081	Quicken overstated the borrower's income. Specifically, Quicken improperly included bonus income that was declining. HUD Handbook 4155.1: 4.D.2.c; TOTAL Mortgage Scorecard User Guide (2004), pp. 5, 10-12			
264-0101211	Quicken failed to adequately source the funds required to close the loan due to its failure to adhere to HUD requirements concerning the documentation of gift funds. HUD Handbook 4155.1 REV-5 2-10(C); TOTAL Mortgage Scorecard User Guide (2004), p. 15.	Quicken failed to downgrade the loan from an Accept/Eligible decision and Refer the loan to a DE underwriter despite disputed accounts appearing on the borrower's credit report. TOTAL Mortgage Scorecard User Guide (2004), p. 21		

FHA CASE NUMBER	Finding #1	Finding #2	Finding #3	Finding #4
264-0156221	Quicken understated the borrower's monthly debt obligations due to its failure to include the borrower's payment on his home equity line of credit. HUD Handbook 4155.1 REV-5: 2-11(A); TOTAL Mortgage Scorecard User Guide (2004), p. 6			
264-0836703	Quicken failed to document the borrower's income and employment per HUD requirements. Specifically, Quicken overstated the borrower's income and did not obtain an explanation for a gap in the borrower's employment. HUD Handbook 4155.1: 1.B.2.f, 4.D.1.b; TOTAL Mortgage Scorecard User Guide (2004), pp. 11-12, 14			
271-9426967	Quicken overstated the borrower's assets due to a failure to document a gift per HUD requirements. HUD Handbook 4155.1 REV-5: 2-10(C); TOTAL Mortgage Scorecard User Guide (2004), p. 15	Quicken failed to document the borrower's employment history for the past two years, and failed to resolve conflicting information concerning the borrower's employment and income. HUD Handbook 4000.4 REV-1 CHG-2: 2-4(C); HUD Handbook 4155.1 REV-5: 2-6; TOTAL Mortgage Scorecard User Guide (2004), pp. 5, 10-11		
277-1056622	Quicken overstated the borrower's income due to its inclusion of overtime and bonus income that was not likely to continue. HUD Handbook 4155.1: 4.D.2.b; TOTAL Mortgage Scorecard User Guide (2004), pp. 10-11			

FHA CASE NUMBER	Finding #1	Finding #2	Finding #3	Finding #4
281-3327582	Quicken failed to resolve conflicting information indicating the borrower did not reside in the subject property as his primary residence. HUD Handbook 4000.4 REV-1 CHG-2: 2-4(C); HUD Handbook 4155.1 REV-5: 1-1, 1-2			
281-3346914	Quicken overstated the borrower's income. Specifically, Quicken used employment income not justified by the borrower's paystubs, failed to adequately document shift differential income used to underwrite the mortgage, and failed to document the stability of the borrower's income based on prior employment income. HUD Handbook 4155.1 REV-5: 2-6, 3-1(E), 3-1(G); TOTAL Mortgage Scorecard User Guide (2004), pp. 11-12			
281-3429453	Quicken failed to ensure the borrower did not skip a payment on the mortgage being refinanced. Specifically, Quicken failed to ensure the borrower made her 6/1 payment. HUD Handbook 4155.1 REV-5: 1-10			
281-3484148	Quicken overstated the borrower's income and considered unstable income purportedly earned by the borrower. HUD Handbook 4155.1 REV-5: 2-6			

FHA CASE NUMBER	Finding #1	Finding #2	Finding #3	Finding #4
281-3564716	<p>Quicken failed to appropriately analyze the borrower's credit. Specifically, Quicken failed to address multiple tax liens that were not on the borrower's credit report and thus not considered by AUS. Moreover, Quicken ignored late and missed mortgage payments in the last 12 months, and failed to address a tax lien that was not satisfied.</p> <p>HUD Handbook 4000.4 Rev-1 Chg. 2: 2-4(C); HUD Handbook 4155.1 REV-5: 1-10(E), 2-4(A), 2-5(B); TOTAL Mortgage Scorecard User Guide (2004), pp. 3, 8, 17-19, 22; Mortgagee Letter 2005-43</p>	<p>Quicken overstated the borrower's and co-borrower's income. Specifically, Quicken used social security income that was not properly documented in underwriting the mortgage.</p> <p>HUD Handbook 4155.1 REV-5: 2-7, 2-7(E); TOTAL Mortgage Scorecard User Guide (2004), pp. 5, 8, 10, 22</p>		
281-3681399	<p>Quicken failed to document per HUD requirements the funds required to close the mortgage loan.</p> <p>HUD Handbook 4155.1: 5.B.6.b; TOTAL Mortgage Scorecard User Guide (2004), pp. 6, 16</p>	<p>Quicken understated the borrower's monthly debt obligation. Specifically, Quicken excluded certain debts appearing on the borrower's credit report without the requisite documentation.</p> <p>HUD Handbook 4155.1: 4.C.4.a-b; TOTAL Mortgage Scorecard User Guide (2004), p. 6</p>		
281-3765170	<p>Quicken overstated the borrower's income. Specifically, Quicken overstated the child support income used to underwrite the mortgage.</p> <p>HUD Handbook 4155.1: 4.E.1.a-b; TOTAL Mortgage Scorecard User Guide (2004), pp. 5, 8-9, 14, 22</p>			
291-3632855	<p>Quicken overstated the borrower's income due to the inclusion of unstable income purportedly earned by the borrower.</p> <p>HUD Handbook 4155.1 REV-5: 2-6; TOTAL Mortgage Scorecard User Guide (2004), p. 10</p>	<p>Quicken failed to document and account for purported rental income reported by the borrower.</p> <p>HUD Handbook 4155.1 REV-5: 2-7(M)</p>	<p>Quicken accepted asset and income documentation that were handled or transmitted by or through an interested third party to the transaction, in violation of HUD requirements.</p> <p>HUD Handbook 4155.1 REV-5: 3-1; TOTAL Mortgage Scorecard User Guide (2004), pp. 6, 10-11</p>	<p>Quicken failed to resolve conflicting information in the file indicating that the borrower may not be residing in the subject property as their primary residence.</p> <p>HUD Handbook 4155.1 REV-5: 1-2</p>

FHA CASE NUMBER	Finding #1	Finding #2	Finding #3	Finding #4
291-3823441	Quicken failed to appropriately analyze the borrower's credit. Specifically, Quicken did not address information indicating that the borrower had an outstanding judgment against him and did not address conflicting information regarding an outstanding tax lien. HUD Handbook 4000.4 Rev-1 Chg 2: 2-4(C); HUD Handbook 4155.1 REV-5: 2-3(C), 2-5(B), 2-11(C); TOTAL Mortgage Scorecard User Guide (2004), p. 6, 17, 19	Quicken understated the borrower's liabilities. Specifically, Quicken improperly excluded student loan payments from calculation of the borrower's debts without adequate documentation and improperly understated the borrower's negative rental income. HUD Handbook 4155.1 REV-5: 2-7(M), 2-11(C); TOTAL Mortgage Scorecard User Guide (2004), pp. 5-6, 8, 17, 22		
291-4264004	Quicken overstated the borrower's income due to overstating the monthly base income used to qualify the borrower. HUD Handbook 4155.1: 4.D.2.b-c; TOTAL Mortgage Scorecard User Guide (2004), pp. 10-11			
291-4340260	Quicken failed to downgrade the loan from an Accept/Eligible decision and Refer the loan to a DE underwriter despite a disputed, derogatory credit item appearing on the borrower's credit report. HUD Handbook 4155.1: 6.A.1.e; TOTAL Mortgage Scorecard User Guide (2004), pp. 18-19, 21	Quicken understated the borrower's monthly debt obligation. Specifically, Quicken excluded certain debts appearing on the borrower's credit report without the requisite documentation. HUD Handbook 4155.1: 4.C.4.a; TOTAL Mortgage Scorecard User Guide (2004), p. 6		
292-5000870	Quicken overstated the borrower's income. Specifically, Quicken used employment income in excess of the income documentation in the mortgage file. HUD Handbook 4155.1 REV-5: 2-7; TOTAL Mortgage Scorecard User Guide (2004), pp. 10-11			

FHA CASE NUMBER	Finding #1	Finding #2	Finding #3	Finding #4
292-5090932	Quicken overstated the borrower's income. Specifically, Quicken used commission income not supported by the documentation, and did not document and explain its use of commission income declining year to year. HUD Handbook 4155.1 REV-5: 2-7(D); TOTAL Mortgage Scorecard User Guide (2004), pp. 10-12			
292-5287097	Quicken overstated the borrower's income and/or understated the borrower's liabilities. Specifically, Quicken excluded from the borrower's debt a monthly payment/deduction documented on the borrower's paystub. HUD Handbook 4155.1 REV-5: 2-11; TOTAL Mortgage Scorecard User Guide (2004), p. 17			
292-5720270	Quicken failed to downgrade the loan from an Accept/Eligible decision and Refer the loan to a DE underwriter despite a disputed, derogatory credit item appearing on the borrower's credit report. HUD Handbook 4155.1: 6.A.1.e; TOTAL Mortgage Scorecard User Guide (2004), pp. 18-19, 21			
321-2562708	Quicken failed to adequately source the funds required to close the loan due to its failure to adhere to HUD requirements concerning the documentation of gift funds. HUD Handbook 4155.1 REV-5: 2-10(C); TOTAL Mortgage Scorecard User Guide (2004), p. 15	Quicken failed to consider the value of personal property items given by the seller to the borrower when calculating the Loan to Value and Maximum Mortgage Amount, in violation of HUD requirements. HUD Handbook 4155.1 REV-5: 1-7(B)		

FHA CASE NUMBER	Finding #1	Finding #2	Finding #3	Finding #4
321-2917392	Quicken accepted asset and income verification documents that were transmitted by an interested third party, in violation of HUD requirements. HUD Handbook 4155.1: 1.2.d; TOTAL Mortgage Scorecard User Guide (2004), pp. 6, 10-11	Quicken endorsed the loan for FHA mortgage insurance with a Loan to Value in excess of the 85% cap on identity of interest transactions. Here, the borrower was purchasing the property from an individual with whom he had a business relationship, and he had not been renting the home for at least six months. HUD Handbook 4155.1: 2.B.2.a-b		
332-4520970	Quicken failed to downgrade the loan from an Accept/Eligible decision and Refer the loan to a DE underwriter despite a disputed, derogatory credit item appearing on the borrower's credit report. TOTAL Mortgage Scorecard User Guide (2004), pp. 18-19, 21			
341-0895183	Quicken overstated the borrower's income. Specifically, Quicken "grossed up" the borrower's pension and SSDI income, without adequate documentation. HUD Handbook 4155.1 REV-5: 2-7(Q); TOTAL Mortgage Scorecard User Guide (2004), pp. 10-11			
341-0941866	Quicken failed to downgrade the loan from an Accept/Eligible decision and Refer the loan to a DE underwriter despite a disputed, derogatory credit item appearing on the borrower's credit report. TOTAL Mortgage Scorecard User Guide (2004), pp. 18-19, 21			

FHA CASE NUMBER	Finding #1	Finding #2	Finding #3	Finding #4
341-1009721	Quicken overstated the borrower's income by using bonus income without adequate documentation of history or likelihood of continuance. HUD Handbook 4155.1 REV-5: 2-7(A); TOTAL Mortgage Scorecard User Guide (2004), pp. 10-11			
351-5361151	Quicken overstated the borrower's income by using declining bonus/overtime income without adequate justification or documentation. HUD Handbook 4155.1 REV-5: 2-7(A); TOTAL Mortgage Scorecard User Guide (2004), pp. 10-11	Quicken overstated the borrower's assets by failing to adequately document bank depository assets used to underwrite the mortgage. HUD Handbook 4155.1 REV-5: 2-10; TOTAL Mortgage Scorecard User Guide (2004), p. 14		
352-5805697	Quicken failed to resolve conflicting information in the file indicating that the borrower may not be residing in the subject property as their primary residence. HUD Handbook 4155.1 REV-5: 1-2			
361-3142303	Quicken overstated the borrower's income. Specifically, Quicken used employment income in excess of documented income per the VOE, and improperly used bonus income that was not adequately documented. HUD Handbook 4155.1 REV-5: 2-7(A); TOTAL Mortgage Scorecard User Guide (2004), pp. 10-11			

FHA CASE NUMBER	Finding #1	Finding #2	Finding #3	Finding #4
361-3175796	Quicken overstated the borrower's income/understated the borrower's liabilities, by failing to include a garnishment as reported on the borrower's paystub. HUD Handbook 4155.1 REV-5: 2-11; TOTAL Mortgage Scorecard User Guide (2004), p. 17			
361-3219961	Quicken failed to document that the borrower did not have any late or skipped mortgage payments in the prior 12 months. Mortgagee Letter 2005-43	Quicken improperly understated the borrower's liabilities by failing to include in underwriting a monthly debt without adequate justification. HUD Handbook 4155.1 REV-5: 2-11; TOTAL Mortgage Scorecard User Guide (2004), pp. 6, 17	Quicken overstated the borrower's assets by including assets from a purported retirement account without any documentation of the funds or their availability. Mortgagee Letter 2004-44; TOTAL Mortgage Scorecard User Guide (2004), pp. 14-15	
371-3892794	Quicken failed to adequately source the funds required to close the loan due to its failure to adhere to HUD requirements concerning the documentation of gift funds. HUD Handbook 4155.1 REV-5: 2-10(C); TOTAL Mortgage Scorecard User Guide (2004), p. 15	Quicken failed to adequately source the funds required to close the loan due to its failure to source a large deposit into the borrower's account. HUD Handbook 4155.1 REV-5: 2-10(A); TOTAL Mortgage Scorecard User Guide (2004), pp. 16-17		
371-3935299	Quicken failed to document the borrower's funds necessary to close the mortgage. Specifically, Quicken failed to document gift funds needed to close the mortgage, failed to document the borrower's control and availability with respect to bank accounts needed to close the mortgage, failed to document a bank account necessary to close the mortgage by failing to obtain a bank statement showing a full 30-day period, and failed to document the source of two large deposits needed to close the mortgage. HUD Handbook 4155.1 REV-5: 2-10, 3-1(F); TOTAL Mortgage Scorecard User Guide (2004), pp. 14-16	Quicken overstated the borrower's income. Specifically, Quicken failed to adequately document child support income used to underwrite the mortgage. HUD Handbook 4155.1 REV-5: 2-7(F); TOTAL Mortgage Scorecard User Guide (2004), p. 14	Quicken understated the borrower's monthly liabilities. Specifically, Quicken failed to use 5% of an outstanding balance in the absence of documentation of the actual monthly payment, and instead used a lower amount that was not documented. HUD Handbook 4155.1 REV-5: 2-11(A); TOTAL Mortgage Scorecard User Guide (2004), p. 6	Quicken failed to document the mortgage's characteristics and underwriting basis. The mortgage file does not contain an AUS certificate containing the information used to underwrite the mortgage. Mortgagee Letter 2004-47; TOTAL Mortgage Scorecard User Guide (2004), p. 1

FHA CASE NUMBER	Finding #1	Finding #2	Finding #3	Finding #4
371-4532193	<p>Quicken failed to adequately source the funds required to close the loan due to its failure to obtain evidence of the borrower's receipt of funds from selling the borrower's current residence.</p> <p>HUD Handbook 4155.1: 5.B.6.c; TOTAL Mortgage Scorecard User Guide (2004), p. 16</p>			
371-4553771	<p>Quicken endorsed the mortgage for FHA insurance even though the borrower did not invest the minimum statutory required amount.</p> <p>HUD Handbook 4155.1: 5.B.1.a</p>			
372-3721845	<p>Quicken failed to document the borrower's income per HUD requirements due to its failure to obtain a paystub documenting one full month's employment. Additionally, Quicken failed to resolve conflicting information concerning the borrower's current employment and employment history.</p> <p>HUD Handbook 4155.1 REV-5: 2-6, 3-1; TOTAL Mortgage Scorecard User Guide (2004), p. 11</p>			
381-8302623	<p>Quicken failed to adequately source the funds required to close the loan due to its failure to document the borrower's gift per HUD requirements.</p> <p>HUD Handbook 4155.1 REV-5: 2-10(C); TOTAL Mortgage Scorecard User Guide (2004), pp. 8, 15</p>			

FHA CASE NUMBER	Finding #1	Finding #2	Finding #3	Finding #4
381-8385141	<p>Quicken failed to document the borrower's assets. Specifically, Quicken failed to adequately verify the borrower's reserves, the borrower's earnest money deposit, and the borrower's bank account used to underwrite the mortgage.</p> <p>HUD Handbook 4155.1 REV-5: 2-10(A), 3-1(F); TOTAL Mortgage Scorecard User Guide (2004), pp. 14-15</p>			
381-8406865	<p>Quicken failed to adequately analyze the borrower's credit. Specifically, Quicken failed to document the satisfaction of an outstanding judgment appearing on the borrower's credit report.</p> <p>HUD Handbook 4155.1 REV-5: 2-3(C); TOTAL Mortgage Scorecard User Guide (2004), pp. 18-19</p>			
381-8612748	<p>Quicken overstated the borrowers' income by including income earned by the co-borrower that was not effective income per HUD requirements. Specifically, the co-borrower was returning to work after an extended absence, but he had not been employed at his current job for six or more months.</p> <p>HUD Handbook 4155.1 REV-5: 2-6; TOTAL Mortgage Scorecard User Guide (2004), p. 10</p>			
381-8679047	<p>Quicken failed to adequately analyze the borrower's credit. Specifically, Quicken failed to obtain adequate documentation or explanation for significant derogatory credit information, and ignored red flags in the borrower's credit history that indicated that the borrower's credit was unacceptable.</p> <p>HUD Handbook 4000.4 REV-1 CHG-2: 2-5; HUD Handbook 4155.1 REV-5: 2-3; TOTAL Mortgage Scorecard User Guide (2004), pp. 18-19</p>			

FHA CASE NUMBER	Finding #1	Finding #2	Finding #3	Finding #4
381-8736768	Quicken failed to adequately source the funds required to close the loan due to its failure to adhere to HUD requirements concerning the documentation of gift funds. HUD Handbook 4155.1 REV-5: 2-10(C); TOTAL Mortgage Scorecard User Guide (2004), p. 15	Quicken failed to document the borrower's income per HUD requirements. Specifically, Quicken failed to obtain a paystub for the borrower, and failed to ensure the accuracy of projected income used to qualify the borrower. HUD Handbook 4155.1 REV-5: 3-1(E); TOTAL Mortgage Scorecard User Guide (2004), p. 11		
387-0136284	Quicken failed to downgrade the loan from an Accept/Eligible decision and Refer the loan to a DE underwriter despite disputed accounts appearing on the borrower's credit report. TOTAL Mortgage Scorecard User Guide (2004), p. 21	Quicken overstated the borrower's income due to its consideration of self-employment income that did not meet HUD requirements. HUD Handbook 4155.1: 1.3.g, 4.D.4.c; TOTAL Scorecard User Guide (2004), pp. 12-13		
387-0701366	Quicken understated the borrower's monthly debt obligation due to its failure to document, determine, and include in the debt calculation net rental income, taxes, and insurance on a property owned by the borrower. HUD Handbook 4155.1: 4.E.4.e-f; TOTAL Mortgage Scorecard User Guide (2004), p. 6			
387-0911591	Quicken understated the borrower's monthly debt obligation due to its failure to determine the appropriate monthly payment on student loans carried by the borrower. HUD Handbook 4155.1: 4.C.4.c; TOTAL Mortgage Scorecard User Guide (2004), p. 6			

FHA CASE NUMBER	Finding #1	Finding #2	Finding #3	Finding #4
411-4260717	Quicken failed to adequately document employment income. Specifically, Quicken failed to obtain a verification of employment as required. HUD Handbook 4155.1 REV-5: 3-1(E); TOTAL Mortgage Scorecard User Guide (2004), pp. 10-12	Quicken failed to adequately document the borrower's assets. Specifically, Quicken failed to source two large deposits into the borrower's account, and failed to document the bank depository assets used to underwrite the mortgage. HUD Handbook 4155.1 REV-5: 2-10(A); TOTAL Mortgage Scorecard User Guide (2004), pp. 16-17		
412-5874275	Quicken failed to adequately document the borrower's debts. Specifically, Quicken excluded a debt incurred to advance funds into the borrower's bank account, without adequate documentation. HUD Handbook 4155.1 REV-5: 2-3(B), 2-10(A); TOTAL Mortgage Scorecard User Guide (2004), p. 6	Quicken overstated and failed to document the borrower's income. Specifically, Quicken used employment income in excess of the borrower's income history, without adequate explanation, and therefore failed to adequately document the stability of the borrower's income. HUD Handbook 4000.4 REV-1 CHG-2: 2-4(C); HUD Handbook 4155.1 REV-5: 2-6, 2-7(A); TOTAL Mortgage Scorecard User Guide (2004), pp. 10-12		
412-5963250	Quicken failed to downgrade the loan from an Accept/Eligible decision and Refer the loan to a DE underwriter. Specifically, the loan file indicated the borrower had not made timely payments on the mortgage being refinanced, but the credit report used by the AUS did not include these late payments, and therefore the decision was based on inaccurate information. TOTAL Mortgage Scorecard User Guide (2004), p. 17	Quicken failed to adequately document a gift purportedly given to the borrower per HUD requirements. HUD Handbook 4155.1 REV-5: 2-10(C); TOTAL Mortgage Scorecard User Guide (2004), pp. 8, 15		
412-6044482	Quicken failed to document the borrower's income per HUD requirements. Specifically, Quicken failed to obtain a paystub documenting one full month's earnings. HUD Handbook 4155.1 REV-5: 3-1(E); TOTAL Mortgage Scorecard User Guide (2004), p. 11	Quicken failed to document the co-borrower's income per HUD requirements. Specifically, Quicken used a verification of employment document to support the co-borrower's income that was not sent directly from the employer to Quicken. HUD Handbook 4155.1 REV-5: 3-1(E); TOTAL Mortgage Scorecard User Guide (2004), p. 10		

FHA CASE NUMBER	Finding #1	Finding #2	Finding #3	Finding #4
412-6077104	Quicken understated the borrower's liabilities by failing to use 5% of an outstanding debt in the absence of documentation of the actual payment amount. HUD Handbook 4155.1 REV-5: 2-11(A); TOTAL Mortgage Scorecard User Guide (2004), p. 6	Quicken understated the borrower's liabilities by excluding a joint mortgage account without adequate documentation. HUD Handbook 4155.1 REV-5: 2-11(B); TOTAL Mortgage Scorecard User Guide (2004), pp. 6, 18		
413-4926640	Quicken failed to verify overtime income purportedly earned by the borrower. HUD Handbook 4155.1 REV-5: 2-7(A); TOTAL Mortgage Scorecard User Guide (2004), p. 10	Quicken endorsed the loan for FHA mortgage insurance with a Loan to Value in excess of the 85% cap on identity of interest transactions. Here, the borrower was purchasing the property from a cousin, and had not been renting the home for at least six months. HUD Handbook 4155.1 REV-5: 1-8(A)		
421-4500125	Quicken overstated and failed to document the borrower's income. Specifically, Quicken overstated the borrower's allowable pension income by using pension income that was not supported by the relevant documentation. HUD Handbook 4155.1 REV-5: 2-7(E); TOTAL Mortgage Scorecard User Guide (2004), pp. 5, 10-11			
421-4611368	Quicken overstated the borrower's income. Specifically, Quicken used income to qualify the borrower that was not likely to continue and there was no documentation to support the likelihood of continuance of the borrower's income through other means. HUD Handbook 4155.1 REV-5: 2-7, 3-1; TOTAL Mortgage Scorecard User Guide (2004), p. 10.			

FHA CASE NUMBER	Finding #1	Finding #2	Finding #3	Finding #4
422-2933594	Quicken understated the borrower's debts due to its exclusion of a debt without obtaining evidence of payoff, as required by HUD. HUD Handbook 4155.1 REV-5: 2-11, 3-10(B); TOTAL Mortgage Scorecard User Guide (2004), p. 6			
431-4499299	Quicken understated the borrower's liabilities by understating a debt without adequate documentation. HUD Handbook 4155.1 REV-5: 2-3, 2-11, 2-12; TOTAL Mortgage Scorecard User Guide (2004), pp. 6, 8, 22			
431-4576072	Quicken failed to adequately document a gift purportedly given to the borrower per HUD requirements. HUD Handbook 4155.1 REV-5: 2-10(C); TOTAL Mortgage Scorecard User Guide (2004), pp. 8, 15			
431-4674734	Quicken overstated the borrower's income. Specifically, Quicken improperly included commission income without adequate documentation of its earning history, and in excess of the borrower's documented stable income. HUD Handbook 4155.1 REV-5: 2-7(D); TOTAL Mortgage Scorecard User Guide (2004), pp. 5, 10-12			

FHA CASE NUMBER	Finding #1	Finding #2	Finding #3	Finding #4
431-4699596	Quicken failed to adequately source the funds required to close the loan due to its failure to adhere to HUD requirements concerning the documentation of gift funds. HUD Handbook 4155.1 REV-5: 2-10(C); TOTAL Mortgage Scorecard User Guide (2004), p. 15	Quicken failed to document the borrower's income per HUD requirements. Specifically, Quicken failed to obtain a paystub documenting one full month's earnings. HUD Handbook 4155.1 REV-5: 3-1(E); TOTAL Mortgage Scorecard User Guide (2004), p. 11		
431-4861563	Quicken failed to document the borrower's income per HUD requirements. Specifically, Quicken failed to obtain a paystub documenting one full month's earnings. HUD Handbook 4155.1: 1.3.d-f; TOTAL Mortgage Scorecard User Guide (2004), p. 11			
441-8396203	The subject property was not eligible for loan insurance of the type endorsed for by Quicken. Specifically, Quicken endorsed the mortgage for FHA insurance with a Loan to Value over 85% when the loan could not exceed the amount. HUD Handbook 4155.1 REV-5: 1-8(A)(1)(b); TOTAL Scorecard User Guide (2004), p. 3	Quicken failed to downgrade the loan from an Accept/Eligible decision and Refer the loan to a DE underwriter despite a disputed, derogatory credit item appearing on the borrower's credit report. TOTAL Mortgage Scorecard User Guide (2004), pp. 18-19, 21	Quicken failed to adequately source the funds required to close the loan due to its failure to document the borrower's gift per HUD requirements. HUD Handbook 4155.1 REV-5: 2-10(C)	
441-9133447	Quicken overstated the borrower's income due to its overstatement of purported rental income earned by the borrower from the subject property. HUD Handbook 4155.1 REV-5: 2-7(M); TOTAL Mortgage Scorecard User Guide (2004), p. 10			

FHA CASE NUMBER	Finding #1	Finding #2	Finding #3	Finding #4
441-9187973	Quicken failed to ensure that the proposed mortgage was eligible. Specifically, Quicken recognized, but did not address, that the property had been acquired less than 12 months before the FHA case number was assigned. Additionally, Quicken failed to ensure that the loan amount, including closing costs, was not greater than the maximum insurable mortgage. HUD Handbook 4155.1: 3.B.1			
441-9258926	Quicken endorsed the mortgage for FHA insurance even though the borrower did not invest the minimum statutory required amount. HUD Handbook 4155.1: 2.A.4.b			
446-0654185	Quicken overstated the borrower's income due to a failure to average commission income over a two-year period. HUD Handbook 4155.1: 4.D.2.g; TOTAL Mortgage Scorecard User Guide (2004), p. 12			
461-4450568	Quicken understated the borrower's liabilities. Specifically, Quicken excluded a monthly debt from underwriting without adequate justification. HUD Handbook 4155.1 REV-5: 2-11(A); TOTAL Mortgage Scorecard User Guide (2004), p. 6	Quicken overstated and failed to document the borrower's employment income. Specifically, Quicken failed to resolve conflicting information regarding whether the borrower had returned to work or was still on disability. Quicken also included employment income in excess of the borrower's past earnings and in excess of the documentation regarding the borrower's income. HUD Handbook 4000.4 REV-1 CHG-2: 2-4(C); HUD Handbook 4155.1 REV-5: 2-6; TOTAL Mortgage Scorecard User Guide (2004), pp. 10-11		

FHA CASE NUMBER	Finding #1	Finding #2	Finding #3	Finding #4
461-4541725	Quicken overstated the borrower's income due to improperly grossing up the borrower's social security income. HUD Handbook 4155.1 REV-5: 2-7(Q); TOTAL Mortgage Scorecard User Guide (2004), p. 10			
461-5112029	Quicken failed to downgrade the loan from an Accept/Eligible decision and Refer the loan to a DE underwriter, as required by HUD. Information in the loan file indicated the borrower had been late making monthly debt payments, yet the credit report used by the AUS did not contain this derogatory credit information. Therefore the AUS did not consider it, and the loan should have been downgraded. HUD Handbook 4155.1: 6.A.1.e; TOTAL Mortgage Scorecard User Guide (2004), p. 17	Quicken failed to resolve conflicting information and indicia of fraud. Specifically, the loan file contains conflicting information concerning income earned by the borrowers in 2009. HUD Handbook 4155.2: 2.A.4.b		
481-2649934	Quicken failed to downgrade the loan from an Accept/Eligible decision and Refer the loan to a DE underwriter, as required by HUD, even though the borrower had been discharged from a Chapter 7 bankruptcy less than two years prior to the loan application. Mortgagee Letter 2004-01; TOTAL Mortgage Scorecard User Guide (2004), p. 20			
481-2906817	Quicken failed to document the borrower's income per HUD requirements due to its failure to obtain a paystub documenting one full month's employment. Additionally, Quicken failed to resolve conflicting information concerning the borrower's current employment and employment history. HUD Handbook 4155.1 REV-5: 2-6, 3-1; TOTAL Mortgage Scorecard User Guide (2004), p. 11			

FHA CASE NUMBER	Finding #1	Finding #2	Finding #3	Finding #4
482-3882983	<p>Borrower debts were understated due to Quicken's failure to use the full monthly payment on an outstanding debt listed on the borrower's credit report.</p> <p>HUD Handbook 4155.1 REV-5: 2-11; TOTAL Mortgage Scorecard User Guide (2004), p. 6</p>			
482-3931381	<p>Quicken endorsed the mortgage despite the borrower's failure to complete repairs required by the appraiser, and the property's failure to meet HUD's minimum property requirements (mold, exposed electrical, etc.).</p> <p>HUD Handbook 4150.1 REV-1: 5-11, 5-12; HUD Handbook 4155.1 REV-5: 1-11(A)</p>			
483-4374199	<p>Quicken overstated and failed to document the borrowers' employment. Specifically, Quicken failed to adequately document the borrower's employment history and income stability. Additionally, Quicken overstated the co-borrower's income by using employment income in excess of the co-borrower's earning history as well as of the co-borrower's documented income, and failed to document the co-borrower's employment history.</p> <p>HUD Handbook 4155.1: 1.3.f, 4.D.1.b, 4.D.2; TOTAL Mortgage Scorecard User Guide (2004), p. 11</p>			
483-4375289	<p>Quicken overstated and failed to document the borrower's income. Specifically, Quicken used social security income without adequate documentation.</p> <p>HUD Handbook 4155.1: 4.D.2.k; TOTAL Mortgage Scorecard User Guide (2004), pp. 10-11</p>			

FHA CASE NUMBER	Finding #1	Finding #2	Finding #3	Finding #4
491-9551849	Quicken failed to document the borrower's income and employment per HUD requirements. Specifically, Quicken overstated the borrower's income and did not obtain an explanation for a gap in the borrower's employment. HUD Handbook 4155.1: 1.3.d-f, 4.D.1.b; TOTAL Mortgage Scorecard User Guide (2004), pp. 11-12, 14	Quicken failed to downgrade the loan from an Accept/Eligible decision and Refer the loan to a DE underwriter. Specifically, the loan file indicated the borrower had not made timely payments on the mortgage being refinanced, but the credit report used by the AUS did not include these late payments, and therefore the decision was based on inaccurate information. TOTAL Mortgage Scorecard User Guide (2004), p. 17		
492-8082888	Quicken overstated and failed to adequately document the borrowers' income. Specifically, Quicken ignored red flags and inconsistencies and contradictions that indicated potential misrepresentation regarding the income documentation used to document employment income, and used employment income in excess of the borrower's documented income. HUD Handbook 4000.4 REV-1 CHG-2: 2-4(C)(5); TOTAL Mortgage Scorecard User Guide (2004), pp. 5, 8	Quicken failed to adequately analyze the borrower's credit. Specifically, Quicken did not consider the borrower's spouse's credit and did not obtain a credit report for the spouse, as required. HUD Handbook 4155.1 REV-5: 3-1(D); TOTAL Mortgage Scorecard User Guide (2004), p. 17	Quicken overstated the borrower's assets by using assets to underwrite the mortgage that were in excess of the borrower's documented assets. HUD Handbook 4000.4 REV-1 CHG-2: 2-4(C)(5); HUD Handbook 4155.1 REV-5: 2-10; TOTAL Mortgage Scorecard User Guide (2004), pp. 6, 8, 14-15	
492-8306262	Quicken failed to adequately source the funds required to close the loan due to its failure to adhere to HUD requirements concerning the documentation of gift funds. HUD Handbook 4155.1 REV-5: 2-10(C); TOTAL Mortgage Scorecard User Guide (2004), p. 15	Quicken failed to resolve conflicting information concerning the borrower's tax documents and purported tax refund. HUD Handbook 4000.4 REV-1 CHG-2: 2-4(C)		
493-8837971	Borrower income was overstated due to Quicken's impermissible use of bonus income not documented or verified per HUD's requirements, and Quicken's failure to consider unreimbursed business expenses when calculating income. HUD Handbook 4155.1 REV-5: 2-7(A); TOTAL Mortgage Scorecard User Guide (2004), pp. 10, 12			

FHA CASE NUMBER	Finding #1	Finding #2	Finding #3	Finding #4
493-8890490	Quicken failed to obtain a credit report on the borrower's spouse and include any spousal debts in the monthly debt calculation, even though the subject property was located in a community property state. HUD Handbook 4155.1 REV-5: 2-2(D)	Quicken failed to adequately source the funds required to close the loan due to its failure to document the borrower's gift per HUD requirements. HUD Handbook 4155.1 REV-5: 2-10(C)	Quicken failed to document overtime income it used to qualify the borrower. HUD Handbook 4155.1 REV-5: 2-7(A)	
493-9537759	Quicken understated the borrower's liabilities. Specifically, Quicken improperly excluded a monthly debt from underwriting without adequate documentation. HUD Handbook 4155.1: 4.C.4.b-c; TOTAL Mortgage Scorecard User Guide (2004), p. 6			
521-7082749	Quicken overstated and failed to document the borrower's income. Specifically, Quicken failed to resolve inconsistencies regarding the borrower's pay stubs that indicated potential misrepresentation. HUD Handbook 4000.4 REV-1 CHG-2: 2-4(C)(5); TOTAL Mortgage Scorecard User Guide (2004), pp. 5, 8			
521-7601685	Quicken failed to obtain a credit report on the borrower's spouse and include any spousal debts in the monthly debt calculation, even though the subject property was located in a community property state. HUD Handbook 4155.1: 4.A.5.b-c; TOTAL Mortgage Scorecard User Guide (2004), p. 6	Quicken failed to ensure that a judgment appearing on the borrower's credit report was paid off, as required by HUD. HUD Handbook 4155.1: 4.C.1.c; TOTAL Mortgage Scorecard User Guide (2004), pp. 18-19		

FHA CASE NUMBER	Finding #1	Finding #2	Finding #3	Finding #4
521-7647527	Quicken misrepresented the borrower's prior housing expense. HUD Handbook 4155.1: 6.A.1.c; TOTAL Mortgage Scorecard User Guide (2004), p. 8	Quicken overstated and failed to document the borrower's assets. Specifically, Quicken failed to document the amount and availability of retirement account funds used to underwrite the mortgage. HUD Handbook 4155.1: 4.F.3, 5.B.3; TOTAL Mortgage Scorecard User Guide (2004), p. 15		
541-7797328	Quicken overstated and failed to document income. Specifically, Quicken used overtime income to underwrite the mortgage without documenting its history or likelihood of continuance. HUD Handbook 4155.1 REV-5: 2-7(A), 3-1(E); TOTAL Mortgage Scorecard User Guide (2004), pp. 10-11			
541-8030405	Quicken failed to document the borrower's income per HUD requirements. Specifically, Quicken approved the borrower based on income that was not stable and/or likely to continue. HUD Handbook 4155.1 REV-5: 2-6, 2-7; TOTAL Mortgage Scorecard User Guide (2004), pp. 10-11	Quicken failed to ensure the property met HUD's minimum property standards. Specifically, the appraiser initially indicated the subject property had a septic system, but that connecting to the public sewer would cost less than 3% of the appraised value. Therefore, per HUD requirements, the borrower would be required to hook up the subject property to the public sewer. Subsequent representations by the borrower that were not documented indicated the cost would exceed 3%. Nevertheless, Quicken did not resolve the issue and endorsed the loan for FHA mortgage insurance. HUD Handbook 4150.1 REV-1: 8-2(F); HUD Handbook 4150.2 CHG-1: 3-6(A)(5)		
561-8422337	Quicken failed to ensure that a federal tax lien appearing on the borrowers' credit report was paid off, as required by HUD. HUD Handbook 4155.1 REV-5: 2-5(B); TOTAL Mortgage Scorecard User Guide (2004), p. 19			

FHA CASE NUMBER	Finding #1	Finding #2	Finding #3	Finding #4
561-8713851	Quicken failed to adequately document income. Specifically, Quicken failed to document the co-borrower's employment history and income stability. HUD Handbook 4155.1 REV-5: 2-6; TOTAL Mortgage Scorecard User Guide (2004), pp. 10-11			
561-8742199	Quicken failed to document income. Specifically, Quicken used self-employment income, without obtaining adequate documentation. HUD Handbook 4155.1 REV-5: 2-9(B); TOTAL Mortgage Scorecard User Guide (2004), pp. 12-13			
561-8841982	Quicken failed to obtain a credit report on the borrower's spouse and include any spousal debts in the monthly debt calculation, even though the subject property was located in a community property state. HUD Handbook 4155.1 REV-5: 2-2(D)			
561-8967997	Quicken overstated the borrower's income due to its inclusion of undocumented overtime income. HUD Handbook 4155.1 REV-5: 2-7(A); TOTAL Mortgage Scorecard User Guide (2004), p. 19	Quicken understated the borrowers' monthly liabilities due to its consideration of purported rental income earned by the borrower on their previous primary residence. Mortgagee Letter 2008-25		

FHA CASE NUMBER	Finding #1	Finding #2	Finding #3	Finding #4
581-2983901	<p>Quicken overstated and failed to document income. Specifically, Quicken used employment income that included a housing allowance, without documenting that the housing allowance would continue.</p> <p>HUD Handbook 4155.1 REV-5: 2-7(J); TOTAL Mortgage Scorecard User Guide (2004), pp. 10-11</p>			
581-3196349	<p>Quicken overstated and failed to adequately document income. Specifically, Quicken failed to obtain a complete paystub documenting regular wages for both current and YTD. Additionally, Quicken used overtime income in excess of borrower's documented overtime income, and failed to document a history or likelihood of continuance of the overtime.</p> <p>HUD Handbook 4155.1 REV-5: 2-7(A), 3-1(E); TOTAL Mortgage Scorecard User Guide (2004), pp. 10-11</p>			